

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

In re:

WINSTAR COMMUNICATIONS, INC., *et. al.*,

Debtors.

CHRISTINE C. SHUBERT, CHAPTER 7
TRUSTEE OF WINSTAR
COMMUNICATIONS, INC. AND WINSTAR
WIRELESS, INC.,

Plaintiff,

v.

LUCENT TECHNOLOGIES INC.,

Defendant.

Case No. 06-147 (JJF)

Case Below:
Chapter 7

Case No. 01-1430 (KJC)

(Jointly Administered)

Adv. Pro. No. 01-01063 (KJC)

APPELLANT'S STATEMENT OF ISSUES ON APPEAL

Pursuant to Federal Rule of Appellate Procedure 6(b)(2)(B), Appellant Lucent Technologies Inc. ("Lucent") hereby provides a statement of the issues on appeal with respect to Lucent's appeal to the United States Court of Appeals for the Third Circuit from the final order of the United States District Court for the District of Delaware (Case No. 06-147, Farnan, J.), dated April 26, 2007 (Docket No. 47), affirming the judgment of the United States Bankruptcy Court for the District of Delaware (Adv. Pro. No. 01-01063, Rosenthal, J.), dated December 28, 2005 (Docket No. 373).¹

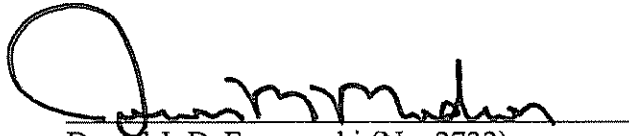
1. With respect to the Count X (the preference claim):

¹ Terms not otherwise defined herein shall have the meaning as set forth in the bankruptcy court's Memorandum of Decision Including Findings of Fact and Conclusions of Law With Respect To Counts VII, X, and XI of the Second Amended Complaint and Counts 5 and 6 of the Second Amended Answer and Counterclaims (Docket No. 369).

- (a) was Lucent an “insider” of Winstar as of December 7, 2000, such that the extended one-year look-back period applies to the payment;
 - (b) was it proper for the bankruptcy court to rely on an inference drawn from former Lucent employees’ invocation of their Fifth Amendment rights in support of its conclusion that Lucent was an insider;
 - (c) was the payment a transfer of property of Winstar (or did the payment come from earmarked funds); and
 - (d) was Lucent entitled to a new value defense?
- 2. With respect to Count VII (the breach of contract claim), was Lucent liable to Winstar and/or Winstar Wireless, Inc. for breach of the subcontract?
- 3. With respect to Count XI (the equitable subordination claim), were Lucent’s claims in the Winstar bankruptcy proceeding subject to equitable subordination pursuant to 11 U.S.C. § 510(c)?
- 4.
 - (a) Is the contract claim a non-core matter;
 - (b) If so, did the bankruptcy court err in finding that Lucent had consented to the entry of final orders by the bankruptcy court with respect to non-core matters; and
 - (c) was Lucent entitled to a jury trial on the breach of contract claim?

Dated: June 8, 2007
Wilmington, Delaware

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'Daniel J. DeFranceschi', is written over a horizontal line.

Daniel J. DeFranceschi (No. 2732)
Jason M. Madron (No. 4431)
RICHARDS, LAYTON & FINGER, P.A.
One Rodney Square
920 North King Street
Wilmington, Delaware 19801
Telephone: (302) 651-7700
Facsimile: (302) 651-7701

-and-

Craig T. Goldblatt
WILMER CUTLER PICKERING
HALE AND DORR, LLP
1875 Pennsylvania Ave., N.W.
Washington, D.C. 20006
Telephone: (202) 663-6000
Facsimile: (202) 663-6363

Counsel for Lucent Technologies Inc.

UNITED STATES DISTRICT COURT
DISTRICT OF DELAWARE

CERTIFICATE OF SERVICE

I hereby certify that on June 8, 2007, I mailed via the United States Postal Service, and I electronically filed **Appellant's Statement of Issues on Appeal** with the Clerk of Court using CM/ECF system which will also send notifications to the any of the following parties who are registered participants:

Gregory Alan Taylor
Ashby & Geddes
500 Delaware Avenue
8th Floor
P.O. Box 1150
Wilmington, DE 19899

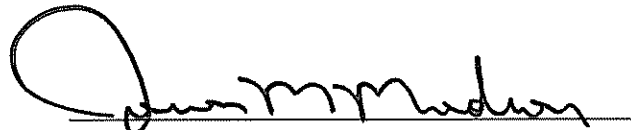
Sheldon K. Rennie
Michael G. Menkowitz
Fox, Rothschild LLP
919 North Market Street
Suite 1300
Wilmington, DE 19801

Stephen M. Rathkopf
David R. King
Herrick Feinstein LLP
2 Park Avenue
New York, NY 10016

Philip D. Anker
Wilmer Hale
399 Park Avenue
New York, NY 10022

Paul C. Saunders
Cravath Swaine
Worldwide Plaza
825 Eighth Avenue
New York, NY 10019

Craig Goldblatt
Wilmer Hale
2445 M Street, N.W.
Washington, DC 20037



Jason M. Madron (No. 4431)
Richards, Layton & Finger, P.A.
920 North King Street
P. O. Box 551
Wilmington, Delaware 19899
Telephone: (302) 651-7700
Facsimile: (302) 651-7701
E-mail: Madron@rlf.com